



State of Washington
PUBLIC DISCLOSURE COMMISSION

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9:30 a.m.
March 22, 2007

MINUTES – REGULAR MEETING

Evergreen Plaza Bldg. Room 206
711 Capitol Way South
Olympia, Washington

COMMISSION MEMBERS PRESENT

Jane Noland, Chair
Bill Brumsickle, Vice Chair
Ken Schellberg, Secretary
Earl Tilly, Member

STAFF PRESENT

Vicki Rippie, Executive Director
Doug Ellis, Assistant Director
Michael Smith, Chief Technology Officer
Nancy Krier, Sr. Asst. Attorney General
Linda Dalton, Sr. Asst. Attorney General
Kami Madsen, Secretary

The regular meeting of the Public Disclosure Commission was called to order by Commission Chair Jane Noland at 9:30 a.m. in the Evergreen Plaza Building, Room 206, Olympia, Washington.

Commissioner Comments

Commissioner Tilly requested that a sampling of political advertisements available on the Internet be shown to commissioners during the meeting. Chair Noland agreed the ads would be viewed before the lunch recess.

Citizen Comments/Concerns

No citizen comments or concerns were expressed.

Minutes

Motion 07-58

Moved by Commissioner Brumsickle, seconded by Commissioner Schellberg:

The Commission adopts the minutes of February 22, 2007, as corrected.

The motion passed unanimously.

Summary of Pending PDC-Related Legislation

Vicki Rippie discussed the 2007-09 biennial budget proposals.

Ms. Rippie reported on current legislation that would have an impact on chapter 42.17 RCW or on the operation of the Public Disclosure Commission if passed into law.

Reorganization of Chapter 42.17 RCW:

- SHB1734 – Reorganizing Campaign Contribution and Disclosure Laws.

Lobbyist Reporting:

- HB 1006 – Feasibility Study for Electronic Filing of Disclosure Reports.

Other Campaign Finance or Reform Bills:

- EHB 1189 – Campaign Contributions by Limited Liability Companies.
- ESB 6128 – Identifying Persons Authorized to Make Expenditures.

Motion 07-59

Moved by Commissioner Noland, seconded by Commissioner Tilly:

With respect to ESB 6128, the Commission requests that staff testify in favor of the bill's increased disclosure and express the Commission's concern regarding the change contemplated for persons providing ministerial functions to campaigns.

The motion passed unanimously.

- House Bill 1831 – Modifying the Dates of the Election Cycle.
- House Bill 1832 – Shortening the Statute of Limitations.
- House Bill 2079 and Senate Bill 5921 – Use of Agency Shop Fees.

Personal Financial Affairs Statements (F1 Reports):

- Senate Bill 5759 – Executive State Officers.

Student Newspapers:

- Substitute House Bill 1307 – Freedom of Student Press and Speech.

Interpretation

Vicki Rippie presented proposed PDC Interpretation 07-01 – Computing thresholds for independent expenditures. Ms. Rippie further explained the interpretation is for the purposes of implementing RCW 42.17.020(28), RCW 42.17.100, RCW 42.17.103, and RCW 42.17.510.

Motion 07-60

Moved by Commissioner Schellberg, seconded by Commissioner Brumsickle:

The Commission adopts proposed Interpretation 07-01 and determines that, for purposes of RCW 42.17.020(28), .100, .103 and .510, the applicable reporting and/or sponsor identification is required when the pro-rata share of an independent expenditure attributable to one candidate or ballot proposition equals or exceeds the respective threshold.

The motion passed unanimously.

Motion 07-61

Moved by Commissioner Schellberg, seconded by Commissioner Brumsickle:

The Commission determines that, when computing thresholds for purposes of RCW 42.17.020(28), .100, .103 and .510, the portions of the expenditure supporting a candidate or ballot proposition are to be added to the portions of the expenditure opposing that candidate's opponent(s) or opposing a competing ballot proposition as specified in Interpretation 07-01.

The motion passed unanimously.

Rule Making

Public Hearing

Doug Ellis reviewed the proposed rules scheduled for public hearing and possible permanent adoption.

- New WAC 390-05-275 Definition – Party organization.

- New WAC 390-16-320 Candidates in small political subdivisions – Reporting.
- Amend WAC 390-17-030 Sample ballots and slate cards.
- Amend WAC 390-18-025 Identification of “top five contributors.”

If approved, the rules become effective 31 days after filing with the Code Reviser. No public testimony was offered.

Motion 07-62

Moved by Commissioner Brumsickle, seconded by Commissioner Tilly:

The Commission adopts as presented language for WAC 390-05-275 Definition – Party organization, WAC 390-16-320 Candidates in small political subdivisions – Reporting, WAC 390-17-030 Sample ballots and slate cards, and WAC 390-18-025 Identification of “top five contributors.”

The motion passed unanimously.

Discussion

Doug Ellis briefly summarized draft language for WAC 390-17-303 Superior Court Candidates – Eligibility to receive contributions.

Motion 07-63

Moved by Commissioner Tilly, seconded by Commissioner Brumsickle:

The Commission approves draft language for WAC 390-17-303.

The motion passed unanimously.

Reporting Modifications

Vicki Rippie summarized draft language of WAC 390-28-020 Definition – Applicant, WAC 390-28-060 Hearing to modify reporting – Administrative law judge proceedings, WAC 390-28-070 Hearing to modify reporting – By affidavit or sworn statement, and WAC 390-28-080 Hearing to modify reporting – Evidence, record, adverse decisions.

Motion 07-64

Moved by Commissioner Noland, seconded by Commissioner Schellberg:

The Commission requests staff to re-draft WAC 390-28-080 to include a presumption against closing a hearing, and that presumption may be overcome by clear and convincing evidence.

The motion passed unanimously.

Motion 07-65

Moved by Commissioner Brumsickle, seconded by Commissioner Schellberg:

The Commission adopts the draft language for WAC 390-28-020 Definition – Applicant, WAC 390-28-060 Hearing to modify reporting – Administrative law judge proceedings, and WAC 390-28-070 Hearing to modify reporting – By affidavit or sworn statement.

The motion passed unanimously.

Performance Reports

Review of Investigative Process
and Case Load

Phil Stutzman presented to the Commission a review of the investigative process used by compliance staff and explained the length of time each type of case generally takes to complete.

Media/Web Usage of PDC Data

Lori Anderson reviewed how the public appears to respond to media coverage and how that coverage relates to web usage. Ms. Anderson noted that Mondays are typically the busiest web usage days during the campaign season.

IT Mission Critical Services

Michael Smith discussed the agency's extraordinary dependence on technology for achieving its mission and providing services to constituents. Mr. Smith detailed the services provided by IT staff and outlined areas needing updates.

Electronic Filing Waiver Request

Craig Mayberry, candidate, State Representative, 42nd Legislative District

Kurt Young reported that staff is requesting a limited exception on behalf of Craig Mayberry from electronically filing his final report. Mr. Young explained that all other campaign reports were filed electronically and the information for the final report had been submitted.

Motion 07-66

Moved by Commissioner Brumsickle, seconded by Commissioner Tilly:

The Commission grants the limited electronic filing exception.

The motion passed unanimously.

Reporting Modifications

New

Kathleen M. O'Sullivan, alternate member, Commission on Judicial Conduct

Kurt Young reported that Kathleen O'Sullivan requests an exemption from reporting the business customers of Perkins Coie LLP, a Seattle law firm of which she is a partner.

Motion 07-67

Moved by Commissioner Schellberg, seconded by Commissioner Brumsickle:

The Commission grants Kathleen M. O'Sullivan a partial reporting modification.

The Commission finds that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Suzanne M. Quigley, City Council member, City of Lake Stevens

Kurt Young reported that Suzanne Quigley requests an exemption from reporting the business customers of the Everett Shipyard, of which her spouse, Kevin W. Quigley, is President.

Motion 07-68

Moved by Commissioner Brumsickle, seconded by Commissioner Schellberg:

The Commission grants Suzanne M. Quigley a partial reporting modification.

The Commission finds that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Renewals (with change)

*Steven R. Hill, Administrator,
Washington Health Care Authority*

Kurt Young reported that Steven Hill requests a modification renewal with minor changes.

Motion 07-69

Moved by Commissioner Schellberg, seconded by Commissioner Brumsickle:

The Commission grants Steven R. Hill a partial reporting modification.

The Commission finds that literal application would cause a manifestly unreasonable hardship on the applicant and that a limited modification would not frustrate the purposes of the act.

The motion passed unanimously.

Renewals (no change)

The Commission considered the remaining requests for renewals with no change en masse.

Motion 07-70

Moved by Commissioner Tilly, seconded by Commissioner Brumsickle:

The Commission grants partial reporting modifications to Kristianne Blake, Jeffrey Brotman, Elizabeth Cowles, Monte Dahlstrom, Francois Forgette, William Gates, Orlan Gessford, Claire Grace, Richard Hartman, David Lamb, Karen Lane, Kristine Mikkelsen, Dory Nicpon, A. Daniel O'Neal, Paula Peterson, Barre Seibert, Rebecca Stillings, Elizabeth Verhey, Washington State Democratic Central Committee, Washington State Republican Party, Diana Wilhite, and Bill Williams.

The Commission finds that literal application would cause a manifestly unreasonable hardship on the applicants and that limited modifications would not frustrate the purposes of the act.

The motion passed unanimously.

Staff Reports

Executive Director

Vicki Rippie stated the Legislative session adjourns on April 22, and her time and focus in the upcoming weeks will be centered on Legislative matters.

Ms. Rippie also reported on the status of the FY07 budget.

Assistant Director

Doug Ellis presented a chart with the Lobbyist and Lobbyist Employer Audit findings and noted that the information will be posted on PDC's website.

Chief Technology Officer

Michael Smith reported that 22 issues were resolved in the latest ORCA patch update.

Mr. Smith also read a blog excerpt praising PDC's campaign software.

Senior Assistant Attorney General

Nancy Krier had nothing to add to her written report.

Executive Session

The Commission went into executive session at 1:25 pm. to discuss pending and potential litigation with legal counsel.

Public Session

The Commission returned to public session at 2:12 pm.

Adjournment

Chair Noland adjourned the meeting at 2:13 p.m. The next meeting is scheduled for Wednesday May 2, 2007.

Approved by the Commission on May 2, 2007.